

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

DIVISION OF CREDIT UNIONS

NEWSLETTER

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June 12, 2001

CREDIT UNION COMMISSION MEETS

The Credit Union Commission met on June 4, 2001 by telephone conference call. Commission members in attendance were Pat Yokley, Bill Humpfer, Sharon Ichord, Cathy Stroud, and John Hanneke. Others attending were Gregory Worthen, Don Reedy, and Brian Rotty, Lake City Credit Union; Ed Roberts, Credit Union Journal; Peggy Nalls, Missouri Credit Union System; Christy Kincannon, Attorney General's Office; Becky Kilpatrick, Department of Economic Development; Zurett Merridith, and John P. Smith, Division of Credit Unions.

The Commission reviewed the field-of-membership expansion applications submitted by **Lake City Credit Union**. More than 3,000 potential members exist within the group. The Commission found that the group met the criteria for an exemption from the limitations on groups in 4 CSR 105-3.040.

The next regularly scheduled meeting of the Commission is August 9, 2001. The meeting will be held in Room 500, Harry S Truman Office Building. Meetings by telephone conference call may be scheduled to take up business that requires action before the August 9 meeting.

FIELD OF MEMBERSHIP APPLICATION UPDATE

Springfield Telephone Employees Credit Union submitted an application to include those persons who reside or work in the 417 telephone Area Code and the 573 (bordered on the north by I-70) telephone Area Code. The Director approved the expansion of **Springfield Telephone Employees Credit Union** to those in the 417 Area Code, but not the 573 Area Code. The decision was published in the November 15, 2000 Missouri Register. On November 30, 2000 the

Missouri Bankers Association and Century Bank of the Ozarks filed an appeal of the decision to the Credit Union Commission. The Commission heard the appeal on March 29, 2001. On May 24, 2001 the Commission upheld the decision of the Director.

South Community Credit Union submitted an application for those who work or reside in Zip Codes 63109, 63111, 63116, 63123, 63125, 63128, 63129, and Crawford County, Franklin County, Gasconade County and Washington County. **Central Communications Credit Union** submitted an application for those persons who reside or work in the 816 telephone Area Code. The Director approved **South Community and Central Communications'** applications. These decisions were published in the November 15, 2000 Missouri Register. On November 30, 2000 the Missouri Bankers Association and two local banks located in each of the two applicants' field-of-membership expansion areas filed appeals of the decisions to the Credit Union Commission. The Commission received the record of appeals from all parties on May 24, 2001 and set briefing schedules. The Commission will make a decision after review of the record of appeals.

Gateway Metro Credit Union submitted an application for those living or working in the Missouri counties of St. Louis, St. Charles and Jefferson. **Educational Employees Credit Union** submitted an application for those who live or work in St. Louis County, St. Charles County, Jefferson County, Cape Girardeau County and Franklin County. These applications were published in the December 15, 2000 Missouri Register. The Director approved the applications and his decision was published in the February 15, 2001 Missouri Register. On March 1, 2001 the Missouri Bankers Association and two local banks located in each of the applicants' field-of-membership expansion areas filed appeals of the decisions to the Credit Union Commission. Dates for briefs to be submitted by the appellant, the

Director and the credit unions were set by the Commission at their June 4, 2001 meeting. The Commission will make a decision after review of the record of appeals.

Mazuma Credit Union submitted an application for those who live or work in Clay County, Platt County and Jackson County. The application was published in the January 16, 2001 Missouri Register. The Director approved the application and the decision was published in the March 15, 2001 Missouri Register. On March 30, 2001 the Missouri Bankers Association and a local bank located in the field-of-membership expansion area filed an appeal of the decision to the Credit Union Commission. On May 5, 2001 Mazuma amended the application to Jackson County rendering the appeal moot. The application was published in the May 15, 2001 Missouri Register. The Director approved the application and his decision will be published in the July 2, 2001 Missouri Register. A fifteen-calendar-day period for potential appeal of the decision must occur before the decision is final

Glass Workers Credit Union submitted an application for those persons living or working in Jefferson County and Ste. Genevieve County and family members and organizations of such persons. **Alliance Credit Union** submitted an application for those who work or reside in Zip Codes 63304, 63366, and 63367. The applications were published in the April 2, 2001 Missouri Register. The Director approved the applications and the decisions will be published in the June 15, 2001 Missouri Register. A fifteen-calendar-day period for potential appeal of the decision must occur before the decision is final.

Anheuser Busch Employees Credit Union submitted an application for people who live or work in the 63104 Zip Code and the remainder of the Soulard Historic District. The application was published in the May 15, 2001 Missouri Register. The Director approved the application and the decision will be published in the July 2, 2001 Missouri Register. A fifteen-calendar-day period for potential appeal of the decision must occur before the decision is final.

City Utilities Credit Union submitted an application for community residents and workers in Greene and Christian Counties. The application was published in the June 1, 2001 Missouri

Register. A ten-business-day period for comments must occur before the Director can act on the application.

MISSOURI'S LARGEST CREDIT UNIONS AS OF MARCH 31, 2001

Missouri's twenty-one largest credit unions totaled \$4.376 billion in assets as of March 31, 2001. The largest credit unions are defined as those with greater than \$50 million in assets. Although the large credit unions represent just 12% of the number of Missouri chartered credit unions, they hold approximately 77% of the assets.

710,454 members belong to these credit unions and they employ 1,915 full time/part-time employees. This represents an efficiency ratio of 371 members/employee. This compares to a ratio of 391 for all Missouri chartered credit unions and 397 for all United States credit unions. The large credit unions did compare favorably with total operating costs equaling the national average and being 0.2% of average assets better than all Missouri credit unions.


All twenty-one credit unions reported having an internet web site with sixteen of these being transactional. Loan maturity fell from 35.08 months as of 12/31/2000 to 29.93 months as of 3/31/2001.

Other statistics of interest are listed below. All ratios are as a percent of average assets.

Net Worth	10.15%
Delinquency	0.51%
Loans	68.43%
Profitability	0.78%
Cost of Funds	4.02%

FROM THE DIRECTOR

Two rules are undergoing revision: 4 CSR 100-2.160 Semi-annual Report of Conditions and 4 CSR 100-2.040 Loans. The proposed amendments were attached to the May 25, 2001 Newsletter (Volume 3, Number 6). Your comments on the amendments and any other of the Division's rules are welcome.



John P. Smith, Director